

**State of Michigan
Department of Consumer and Industry Services
Office of Financial and Insurance Services**

**Enforcement Actions
October – December 2002**

Name and Location	Enforcement Case No.	Type of License or Registration	Action Taken	Date of Action	Reason for Action	Type of Closure	Date Closed	Fines and Other Penalties
American States Preferred Ins. Company Tampa, FL	02-1018	Property & Casualty	Settlement Letter	07-29-02	438(3) Company failure to respond	Settlement Agreement	11-05-02	\$1,000 Market Conduct Fee
Amerin Guaranty Corporation Schaumburg, IL	02-1036	Property & Casualty	Settlement Letter	07-31-02	438(3) Company failure to respond	Settlement Agreement	09-11-02	\$2,500 Market Conduct Fee
Assurance Company of America New York, NY	02-1038	Property & Casualty	Settlement Letter	07-31-02	438(3) Company failure to respond	Settlement Agreement	09-19-02	\$2,500 Market Conduct Fee
Battle, Gerald Farmington Hills, MI	02-1103	Life, Accident & Health, Property & Casualty	Proposed Stipulation and Consent	10-03-02	1207 Fiduciary Violation; 2018 Misrepresentation 1204(4) Lack of fitness or trustworthiness	Consent Order	10-22-02	Revocation, \$9,728.33 Restitution
Centre Insurance Company Wilmington, DE	02-1043	Property & Casualty	Settlement Letter	07-31-02	438(3) Company failure to respond	Settlement Agreement	09-24-02	\$2,500 Market Conduct Fee
Chartwell Financial Management, Inc. Kalamazoo, MI	02-989	Investment Adviser Registration	Proposed Stipulation and Consent	06-17-02	Michigan Uniform Securities Act, MCL 451.501	Consent Order and Stipulation	11-05-02	\$1,600 Civil Penalty Fee
Citizens Financial Corporation	EX 2001-024	Mortgage	Notice of Opportunity to Show Compliance	4-27-01	Failure to file annual report in violation of MCL 445.1671(3)	Consent Order	12-19-02	License was surrendered and respondent agrees to pay \$1,500 civil fine as a precondition to receiving a license in the future.

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Conseco Finance Servicing Corp. St. Paul, MN	01-809	Consumer Financial Services	Notice of Opportunity to Show Compliance	06-05-01	Various violations of Consumer Financial Services Act	Stipulation and Consent Order	12-20-02	\$115,000 Civil Penalty; Respondent must implement compliance program; refund overcharges to consumers in the amount \$108,514
Darrow , Kelly A. Lansing, MI	01-919	Life, Accident & Health	Settlement Letter	01-30-02	249(a) Agent failure to respond	Final Order	10-08-02	Revocation
First Catholic Slovak Union of the US Independence, OH	02-999	Fraternal Insurer	Proposed Settlement Agreement	07-17-02	438(3) Company failure to respond	Settlement Agreement	11-04-02	\$500 Market Conduct Fee
Halls Mortgage, Inc. Southfield, MI	02-918	Mortgage	Notice of Opportunity to Show Compliance	04-05-02	Respondent failed to maintain a loan log, in violation of MCL 445.1671(1); conducted business with unlicensed mortgage brokers, in violation of MCL 445.1652(1); used fraudulent information in violation of MCL 445.1672(b); charged fees in excess of actual expense, in violation of MCL 445.1673(1)	Consent Order & Stipulation	12-02-02	\$11,000 Civil Penalty, Respondent must review files and make refunds to consumers for overcharges; Respondent must maintain a compliance program and educate its employees
Hildreth, Connie T. Detroit, MI	01-886	Life, Accident & Health, Multiple Lines Property & Casualty, Limited Lines	Notice of Opportunity to Show Compliance	11-19-01	1204(4) Lack of fitness or trustworthiness	Final Order	09-26-02	Revocation

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Insurance Company of Illinois Hoffman Estates, IL	02-1059	Property & Casualty	Settlement Letter	07-29-02	438(3) Company failure to respond	Settlement Agreement	11-05-02	\$1,000 Market Conduct Fee
Jackson, James, Jr. Commerce Twp., MI	02-1004	Accident & Health, Multiple Lines Property & Casualty	Proposed Stipulation and Consent	10-31-02	249(a) Agent failure to respond, 1207(1) Fiduciary violation	Consent Order and Stipulation	11-05-02	\$1,000 Civil Penalty Fee
James, Mark D. Troy, MI	02-980	Mortgage	Notice of Opportunity to Show Compliance	05-10-01	Failed to maintain a loan log, in violation of MCL 445.1672(1); conducted business with unlicensed mortgage brokers, in violation of MCL 445.1672(a); fabricated documents, in violation of MCL 445.1672(b)	Consent Order	12-23-02	\$11,000 Civil Penalty; \$4,000 late penalty; educate employees; not operate any branch offices for 2 years; maintain a compliance program
Lange, Shon D. Orland Park, IL	02-993	Life, Accident & Health	Notice of Opportunity to Show Compliance	07-19-02	249(a) Agent failure to respond	Final Order	11-24-02	Revocation
Marketplace Mortgage Corporation	EX 2002-030	Mortgage	Notice of Opportunity to Show Compliance	4-30-02	Failure to file annual report in violation of MCL 445.1671(3)	Consent Order	10-28-02	\$1,000 civil fine and \$1,000 late penalty
McNenly, Peter Frederick d/b/a Peter Frederick McNenly, JF, CFP Brighton, MI	IA 4122	Investment Adviser	Cease & Desist	11-22-2002	Misrepresentation of Assets on Balance Sheets filed with office; Failure to retain acknowledgements of receipts regarding required disclosure statement; Violated or failed to comply with the Act and Rules	Cease & Desist	11-22-02	\$2,500 Civil Penalty

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Montgomery Ward Insurance Company Schaumburg, IL	02-1032	Property & Casualty	Settlement Letter	07-31-02	438(3) Company failure to respond	Settlement Agreement	10-08-02	\$2,500 Market Conduct Fee
Mortgage Loan Center, LLC (The)	EX 2001-126	Mortgage	Notice of Opportunity to Show Compliance	9-17-01	Using an unlicensed name, in violation of MCL 445.1652(1); using false verification of income and employment information, in violation of MCL 445.1672(b); charging excessive and unearned processing fees, in violation of MCL 445.1672(a) and 445.1673(1)	Consent Order	9-6-02	\$5,000 civil fine
Mountbatten Surety Company, Inc. Schaumburg, IL	02-1011	Surety & Fidelity	Proposed Settlement Agreement	07-19-02	438(3) Company failure to respond	Settlement Agreement	11-26-02	\$2,500 Market Conduct Fee
Pappas, Mona & Pappas & Associates St. Clair Shores, MI	02-1087	Mortgage	Proposed Stipulation and Consent	08-06-02	Conducted mortgage brokering without the required license, in violation of MCL 445.1652	Stipulation and Consent Order	11-22-02	\$1,000 Civil Penalty Fee
Radian Guaranty, Inc. Philadelphia, PA	02-1062	Property & Casualty	Settlement Letter	07-31-02	438(3) Company failure to respond	Settlement Agreement	09-11-02	\$2,500 Market Conduct Fee
Resource Bonding, Inc. & Donald J. Snyder Scottsdale, AZ	01-806	Multiple Lines Property & Casualty	Proposed Consent and Stipulation to Consent Order	10-24-01	500.1920 Insurance placed with unauthorized insurer	Consent Order	12-3-02	Cease & Desist

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Wallen, Bradley Dean Grand Ledge, MI	01393	Securities	Cease & Desist	10-28-2002	Offered and sold unregistered nonexempt securities	Final Order	10-28-02	Cease & Desist
Woodhull, Erma J. Kalamazoo, MI	02-973	Accident & Health, Multiple Lines Property & Casualty	Proposed Stipulation to Consent and Consent Order	06-25-02	1207 Fiduciary Violation; 2018 Misrepresentation	Stipulation and Consent Order	10-29-02	Revocation